MR. CHAIRMAN : Mr. Panda, please take your seat. Next question.

396. [The questioners (SHRI GAYA SINGH, SHRI V. V. RAGHAVAN) were absent. For answer *vide* page 36 *infra*.]

397. [The questioner (SHRI A. VIJAYA RAGHAVAN) was absent. For answer *vide* page 37 *infra*.]

398. [The questioner (SHRI K. RAHMAN KHAN) was absent. For answer *vide* page 38 *infra*.]

Merger of associate banks of SBI

*399. SHRI YADLAPATI VENKAT RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering the merger of seven associate banks of State Bank of India;

(b) if so, the names of associate banks to be merged with State Bank of India; and

(c) whether this merger will result in efficient working of banks?

THE FINANCE MINISTER (SHRI JASWANT SINGH): (a) No Sir.

(b) and (c) Do not arise.

SHRI YADLAPATI VENKAT RAO: Mr. Chairman, Sir, my question relates to the merger of the associate banks with the State Bank of India. For effective functioning of the banks, merger is necessary. Nowadays, the non-performing assets of the banks are increasing. The banks are becoming weak. I would like the hon. Minister to reconsider the proposal of merger of the associate banks with the State Bank of India.

SHRI JASWANT SINGH: Sir, what the hon. Member is suggesting is that we should 'reconsider' the merger. At the present moment, there is no such proposal. So, I cannot 'reconsider' a proposal that does not exist. But, if you want to suggest that we should consider such a merger, then I might be able to answer in the affirmative because theoretically, I am personally of the view that we do, for the sake of efficiency, need to look again at the associate banks of the State Bank of India and whether greater efficiency would be achieved by their merger with the parent bank, which is the State Bank itself. But, my hands are bound. As the hon.

Members know, this is an issue that the Parliamentary Standing Committee has been sitting over, if I am not mistaken, for the last three long years. And, until the Parliamentary Standing Committee unlocks that door, it is not possible for me to put my foot anywhere.

SHRI EKANATH K. THAKUR: Thank you, Sir, for giving me the opportunity. Through you, I would like to ask the hon. Minister this. The Narsimham Committee, after studying the entire structure of banking, recommended that we should have three or four banks of global size. Sir, the recommendation means that we should have a bank of the size that will be reckoned by the world of global size. Now, the State Bank of India ranks as one of the first 100 banks. As we do not have a bank of global size, our economy is not respected in the world. Therefore, Sir, this recommendation of the Narsimham Committee of having three or four banks in India of a global size requires that the associate banks should be merged with the State Bank of India. There would be benefit of synergy because some of the associate banks, like State Bank of Hyderabad, are functioning much better than State Bank of India itself. This recommendation has been under consideration for too long. Would the hon. Finance Minister tell us the time limit by which we would come to some conclusion?

SHRI JASWANT SINGH: Sir, we are aware of the recommendations. We have initiated a Committee called the Narsimham Committee. I have just voiced my personal opinion in this regard. The difficulty, as the hon. Member knows, is that there is currently a lock on any further initiative in this direction unless the Standing Committee of Parliament unlocks. The key is not with me; the key is with the Standing Committee. If you are a Member of the Standing Committee, why don't you carry this throught to the Standing Committee?

MR. CHAIRMAN: Question Hour is over.

WRITTEN ANSWERS TO STARRED QUESTIONS

Allocation of Kerosene to Chhattisgarh and Madhya Pradesh

*381. SHRI RAMADHAR KASHYAP: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state: